

Tax Incentives For Filmmakers

THE BIG SKY ON THE BIG SCREEN ACT

FILING INSTRUCTIONS

PRE-CERTIFICATION APPLICATION

MONTANA FILM OFFICE

Department of Commerce
301 S. Park Ave.
Helena, MT 59620
406-841-2876,
800-553-4563 (outside MT)
406-841-2877 (fax),
montanafilm@visitmt.com
www.montanafilm.com



FILING INSTRUCTIONS

1. PRIOR TO COMMENCING PRODUCTION.

- a. Register the production company name with the Montana Secretary of State. Contact the Montana SOS Business Services Division to obtain the appropriate form for your business (Sole Proprietorship, Partnership, Corporation, LLC). Forms can be downloaded online at http://sos.mt.gov/BSB/Business_Forms.asp or call the Business Services Division at 406-444-3665. A filing fee is required.
- b. Fill out The Big Sky on the Big Screen Act pre-certification application in its entirety. Return the completed form to the Montana Film Office, Department of Commerce along with the following: 1) a copy of the script or synopsis; and 2) the intended distribution plan.
- c. The Montana Film Office, Department of Commerce will respond within 30 days, and usually much less, to notify the production company of their certification status.

2. DURING PRODUCTION.

- a. Keep accurate records and receipts of "qualified expenditures"¹ and payroll records for Montana "resident"² hires. The credit allowed for qualified expenditures is equal to 8% of the total qualified expenditures incurred in connection with the state-certified production during the tax year. The aggregate of the credit allowed for Montana residents for a production occurring in the production company's tax year is equal to the sum of 12% of the first \$50,000 or less of actual compensation paid to each Montana resident employed in connection with the state-certified production during the tax year.

3. WITHIN 60 DAYS OF COMPLETING PRINCIPAL PHOTOGRAPHY.

- a. Submit a statement to the Montana Film Office, Department of Commerce of all expenditures and compensation paid to Montana residents. Include the amount of credit you intend to claim. The production company may submit this statement using their company

accounting documents, or upon request, Montana Film Office will provide a form to the production company.

- b. Receipts, payroll records, and other forms of verification must be kept on file with the production company in preparation of a possible audit from the Montana Department of Revenue.

4. AT TAX-YEAR-END OF FILMING YEAR.

- a. The production company files a Montana tax return with the Montana Department of Revenue using the appropriate corporate or personal income tax form. Forms can be downloaded online at <http://mt.gov/revenue/formsandresources/forms.asp> or by contacting Deborah Hall, Montana Department of Revenue, 406-444-3542.
- b. The tax credit is claimed at this point on the appropriate line(s) of the Montana tax return. The tax credit will be applied to the Montana tax return to offset the tax liability of the production company. The remainder will be refunded to the production company in the form of a check unless the production company opts to carry forward the tax credit for the 4 succeeding tax years.
- c. An application filing fee to cover administrative costs for the tax credit must be submitted with the tax return. The fee structure is:
 - if the total compensation paid to Montana residents for the production is less than or equal to \$30,000, the application fee is \$500;
 - if the total compensation paid to Montana residents for the production is more than \$30,000, the application fee is \$75 for each resident employed by the production company;
 - if the production company is applying only for the qualified expenditure tax credit, the application fee is \$500.

¹ "Qualified expenditures" means expenditures in Montana made by a production company that are directly related to a state-certified production. The term includes expenditures for lodging expenses, restaurant and food expenses, location fees, lumber and construction materials, rental of production equipment and vehicles, and supplies and materials that will be used in the production.

² "Resident" applies only to natural persons and includes, for the purpose of determining liability to the tax imposed by this chapter with reference to the income of any taxable year, any person domiciled in the state of Montana and any other person who maintains a permanent place of abode within the state even though temporarily absent from the state and who has not established a residence elsewhere. **MCA 15-30-101.**



THE BIG SKY ON THE BIG SCREEN ACT—PRE-CERTIFICATION

Completion of this form constitutes application for certification by the Department of Commerce.

PRE-CERTIFICATION APPLICATION MONTANA FILM OFFICE—DEPARTMENT OF COMMERCE		Office use only Certification number: _____	
PRODUCTION TYPE			
<input type="checkbox"/> Feature length film	<input type="checkbox"/> Short film	<input type="checkbox"/> Commercial	<input type="checkbox"/> Documentary
<input type="checkbox"/> Video	<input type="checkbox"/> Print ad	<input type="checkbox"/> Television series	<input type="checkbox"/> Television segment
PRODUCTION TITLE			
Title of production:			
PRODUCTION COMPANY INFORMATION (company to receive tax incentive)			
Company name:			
Business address:			
City:	State:	Zip:	
Phone:		Fax:	
<input type="checkbox"/> Sole proprietorship	<input type="checkbox"/> Partnership	<input type="checkbox"/> Corporation	<input type="checkbox"/> LLC
<input type="checkbox"/> Other:			
Date business commenced:			
Federal tax identification number:			
REGISTRATION WITH MONTANA SECRETARY OF STATE			
<input type="checkbox"/> This is to certify that this production company has registered the above name with the Montana Secretary of State and has received certification as a company in good standing to transact business in Montana.			
PRODUCTION COMPANY INFORMATION WHILE IN MONTANA			
Company name:			
Local address:			
City:	State:	Zip:	
Phone:		Fax:	
PRODUCTION CREW INFORMATION			
Line Producer:		Unit Production Manager:	
Production Accountant:			
PRODUCTION DATES			
Start date of pre-production:		Completion date of principal photography:	
SCRIPT/SYNOPSIS			
<input type="checkbox"/> Copy of script is attached		<input type="checkbox"/> Copy of synopsis is attached	
DISTRIBUTION			
<input type="checkbox"/> Intended plan for distribution is attached			
BANKRUPTCY CERTIFICATION			
<input type="checkbox"/> This is to certify that this production company does not include any company owned, affiliated, or controlled, in whole or in part, by any company or person which is in default on a loan made by the state of Montana or a loan guaranteed by the state, or any company or person who has ever declared bankruptcy under which an obligation of the company or person to pay or repay public funds or monies was discharged as a part of such bankruptcy.			
OBSCENITY CERTIFICATION			
<input type="checkbox"/> This is to certify that this production does not contain any material or performance defined as obscene by Montana Code Annotated, section § 45-8-201.			
PRODUCTION COMPANY SIGNATURE			
Officer of Production Company Signature:			
Printed Name:		Date Signed:	
Title:			
RETURN TO MONTANA FILM OFFICE. Fax 406-841-2877 Mailing address 301 S. Park Ave., Helena, MT 59620			